

ANNUAL ASSAY OF COINS.

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L E T T E R

FROM THE

ACTING SECRETARY OF THE TREASURY,

TRANSMITTING

*Letter of the Director of the Mint relating to the amendment of laws governing the annual assay of coins.*

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FEBRUARY 22, 1887.—Referred to the Committee on Coinage, Weights, and Measures, and ordered to be printed.

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TREASURY DEPARTMENT,  
OFFICE OF THE SECRETARY,  
Washington, D. C., February 21, 1887.

SIR: I have the honor to transmit herewith, for the consideration of Congress, a letter from the Director of the Mint of the 19th instant, in relation to an amendment of the laws governing the annual assay of coins.

The accompanying letter and recommendations on the part of the Director of the Mint are in response to the reference to him by this Department of resolutions passed by the Annual Assay Commission of 1887, a copy of which is appended to that letter. These resolutions were duly presented to the President, and by the President referred to this Department.

With the recommendations of the Director of the Mint the Comptroller of the Currency, as chairman of the committee appointed by the Assay Commission to present this matter to the President, has signified to me his concurrence.

Commending this matter to the attention of Congress, I beg to express the hope that, notwithstanding its approaching adjournment, this communication may receive the attention of the House of Representatives in time to be submitted in due course to the Senate, as it is desirable that the procedure for the next annual assay should have the benefit of the legislation now proposed.

Very respectfully,

C. S. FAIRCHILD,  
*Acting Secretary.*

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.



## TREASURY DEPARTMENT, BUREAU OF THE MINT.

Washington, D. C., February 19, 1887.

SIR: Since assuming the duties of this office I have become aware of the failure of the provisions of law governing the procedure of the annual trial of coins, and contained in the coinage act of 1873, to satisfy several of the commissions appointed by the President under the same act, on the grounds that the sections named are not sufficient to accomplish the purpose for which they were intended.

Efforts have been repeatedly made by different commissions to present this matter to the attention of Congress. Such efforts have generally failed upon points of order tending to exclude from the cognizance of the commission any matter beyond its specific duties as prescribed by sections 3539 and 3547, Revised Statutes, cited in the memorandum below.

On the occasion of the last meeting of the annual Assay Commission at the mint at Philadelphia, February 9, 1887, resolutions to the same purpose were passed, as also below cited. These resolutions were duly laid before the President of the United States, and by the President referred to the Treasury Department for suitable action in the premises.

It becomes, therefore, my duty to address to you the present communication, with the citations mentioned, along with amendments drafted by me, to the sections of the Revised Statutes relating to the annual trial of coins.

It will be noted that it is proposed to amend the present laws, mainly—

(1) In respect to the mode of taking coin for assay from the several coinage mints of the United States; (2) as to the place of meeting of the Annual Assay Commission; (3) as to the constitution of the Commission, particularly in respect to *ex officio* members; and (4) as to the mode of providing for the reimbursement of personal traveling expenses of the members of the Commission, other than officers of the Treasury Department or of the Mint Service, and while in discharge of the duties of the Commission.

Under the first and second heads the accompanying resolutions of the last Assay Commission are sufficiently explicit.

Under the third head the changes proposed in *ex officio* membership are such as it would seem should follow from the proposed change in the place of meeting.

Of the subject under the fourth head it remains for me to state that the expenses of the Commission have heretofore entered into the estimate of the contingent expenses of the mint at Philadelphia, appropriated for in the legislative, executive, and judicial appropriation bill.

It has hitherto been the custom to call upon members of the Commission, at the close of the meeting, for statements of their personal expenditures while absent from home upon the duties of this Commission, to be reimbursed from the contingent appropriation of the mint at Philadelphia. This mode of reimbursement of expenses often proves unsatisfactory, at least to other than *ex officio* members, from the fact that such expenses on the part of private individuals have to be estimated and distinguished as between those of an necessary and unnecessary kind. It is therefore proposed, in this matter, to adopt a mode of reimbursement uniform with that in the case of officers of the Army traveling on duty, and to substitute a per diem allowance by way of compensation for hotel and other personal expenses during the brief session of the Commission.

Appended hereto will be found an exhibit of the estimates and expenditures for the Annual Assay Commission each year since the



passage of the coinage act of 1873. Considering the other changes proposed, it is probable that between the present and proposed mode of reimbursement of expenditures there would be no material difference in the total amount.

It is to be hoped that the present communication can be laid before Congress in time to be concurrently acted upon by both Houses before adjournment. I have, therefore, the honor to suggest that, out of respect for the resolution of the Assay Commission of 1887, the substance of this letter be transmitted to the President *pro tempore* of the Senate and to the Speaker of the House of Representatives, with your own recommendations in the premises.

It may not be improper for me to add that, in concurrence with the Assay Commission of 1887, I consider that the present statutes tend to a perfunctory, instead of a critical, trial of coins, from want of more precise laws on the subject; and that a transfer of the annual trial of coins from one of the mints under inquiry to the executive office of the Mint Service in the Treasury Department at Washington would be a highly desirable amendment of law.

Very respectfully,

JAS. P. KIMBALL,  
*Director of the Mint.*

THE SECRETARY OF THE TREASURY.

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MEMORANDUM.

SEC. 3539. At every delivery of coins made by the coiner to a superintendent, it shall be the duty of such superintendent, in the presence of the assayer, to take indiscriminately a certain number of pieces of each variety for the annual trial of coins, the number for gold coins being not less than one piece for each one thousand pieces or any fractional part of one thousand pieces delivered; and for silver coins one piece for each two thousand pieces or any fractional part of two thousand pieces delivered. The pieces so taken shall be carefully sealed up in an envelope, properly labeled, stating the date of the delivery, the number and denomination of the pieces inclosed, and the amount of the delivery from which they were taken. These sealed parcels containing the reserved pieces shall be deposited in a pyx, designated for the purpose at each mint, which shall be kept under the joint care of the superintendent and assayer, and be so secure that neither can have access to its contents without the presence of the other, and the reserved pieces in their sealed envelopes from the coinage of each mint shall be transmitted quarterly to the mint at Philadelphia. A record shall also be kept at the same time of the number and denomination of the pieces so taken for the annual trial of coins and of the number and denomination of the pieces represented by them and so delivered, a copy of which record shall be transmitted quarterly to the Director of the Mint. Other pieces may at any time be taken for such tests as the Director of the Mint shall prescribe.

SEC. 3547. To secure a due conformity in the gold and silver coins to their respective standards of fineness and weight, the judge of the district court for the eastern district of Pennsylvania, the Comptroller of the Currency, the Assayer of the Assay Office at New York, and such other persons as the President shall, from time to time, designate, shall meet as Assay Commissioners at the mint in Philadelphia, to examine and test, in the presence of the Director of the Mint, the fineness and weight of the coins reserved by the several mints for this purpose, on the second Wednesday in February, annually, and may continue their meetings by adjournment, if necessary. If a majority of the Commissioners fail to attend at any time appointed for their meeting, the Director of the Mint shall call a meeting of the Commissioners at such other time as he may deem convenient. If it appears by such examination and test that these coins do not differ from the standard fineness and weight by a greater quantity than is allowed by law, the trial shall be considered and reported as satisfactory. If, however, any greater deviation from the legal standard or weight appears, this fact shall be certified to the President; and if, on a view of the circumstances of the case, he shall so decide, the officers implicated in the error shall be thenceforward disqualified from holding their respective offices.



TREASURY DEPARTMENT,  
OFFICE OF THE COMPTROLLER OF THE CURRENCY,  
*Washington, D. C., February 15, 1887.*

MR. PRESIDENT: The undersigned, a committee appointed for the purpose, have the honor to present the accompanying report and resolutions, and to bring to your attention the following reasons for the recommendations of the Commission as to a change in the law:

These reasons rest upon the fact that the Commission found itself without sufficient evidence that the coins presented for the tests of weight and fineness were true and fair samples of the several deliveries from the different mints.

The Commission could accept these coins as such samples only upon the assumption that the various mint officers had performed accurately and conscientiously the duties prescribed to them by the laws; but as the accuracy and fidelity of these officers is the very matter to be ascertained by the annual assay, their assumption at the outset is obviously destructive of the effectiveness of the inquest for the purposes declared in the law.

It appeared, therefore, to be the duty of the Commission to direct attention to the propriety of confiding to others than the officers of the mints the drawing of sample coins, and their custody until the meeting of the Annual Assay Commission.

As the operations of the mint at Philadelphia are larger than the operations of the others, it seems especially proper to secure indubitable evidence of the authenticity and genuineness of samples representing each delivery from that mint, and to this end this Commission has suggested that the sample coins from all the mints be transmitted to Washington, and there kept in custody until the meeting of the Annual Assay Commission.

Very respectfully,

W. L. TRENHOLM,  
PHILIP E. CHAZAL.

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*Extract from the minutes of the annual meeting of the Assay Commission, Philadelphia, February 10, 1887.*

On motion of Mr. Holbrook, it was

*Resolved*, That the Assay Commission having examined and tested the reserved coins of the several mints for the year 1886, and it appearing that these coins do not differ from the standard fineness and weight by a greater quantity than is allowed by law, the trial is considered and reported as satisfactory.

The following resolutions were also adopted:

*Resolved*, That in the judgment of the Annual Assay Commission of 1887, the value of the work of the Commission will be greatly enhanced by holding the future meetings of the Assay Commission at Washington, in the Bureau of the Mint; that the coins reserved for examination should be lots selected at random by an officer of the Mint Bureau, under regulations to be prescribed by the Director of the Mint.

*Resolved*, That this resolution be transmitted to the President, as a part of the report of the Commission, with the recommendation that legislation in accordance with this resolution be enacted.

*Resolved*, That the Commission, in making these recommendations, disclaims any reflection upon the officers of this or any other mint."

Mr. Trenholm moved the appointment of a committee of three to deliver the report of the Commission to the President, with instructions to accompany it with a letter of transmittal, setting forth the reasons of the Commission for arriving at their conclusions.

The motion was adopted.

The Chair appointed Messrs. Trenholm, Chazal, Winchell.



*Section 3539, Revised Statutes, as amended.*

At every delivery of coins made by a coiner to a superintendent, it shall be the duty of such superintendent, *in person*, in the presence of the coiner and assayer, to take indiscriminately, *without previous weighing or other special test*, a certain number of pieces of each variety of coins, for the annual trial of coins, the number for gold coins being not less than one piece for each one thousand pieces or any fractional part of one thousand pieces delivered; and for silver coins *not less than one piece* for each two thousand pieces or any fractional part of two thousand pieces delivered. The pieces so taken shall be inclosed, each by itself, in an envelope, and the whole number of pieces from each delivery so inclosed, together with a certificate that the requirements herein provided have been complied with, shall be carefully sealed up by the superintendent in an envelope on which shall be written the date of the delivery, the number and denomination of the pieces therein contained and the amount of the delivery from which they were taken. The form of the certificate to be signed by the superintendent, coiner, and assayer shall be prescribed by the Director of the Mint.

The seal used for this purpose shall be a special seal issued by the Director of the Mint and, when not in use, kept in the pyx of each mint.

The sealed parcels containing the reserved pieces shall be deposited in a pyx, designated for the purpose at each mint, which shall be kept under the joint care of the superintendent and assayer, and be so secure that neither can have access to its contents without the presence of the other; and the pieces reserved from the coinage of each mint shall, in their sealed envelopes, be transmitted quarterly to the United States Treasurer at Washington, to be retained in his custody, unopened and with unbroken seals, under such rules and regulations as may be prescribed by the Secretary of the Treasury.

A record shall be kept at the same time of the number and denomination of the pieces so taken for the annual trial of coins and of the number and denomination of the pieces represented by them and so delivered, a copy of which record shall be transmitted quarterly to the Director of the Mint. Other pieces may, at any time, be taken for such tests as the Director of the Mint shall prescribe.

*Section 3547, Revised Statutes, as amended.*

To secure a due conformity in the gold and silver coins to their respective standards of fineness and weight, one of the judges of the supreme court of the District of Columbia, who may be designated from year to year by the President of the United States, the Comptroller of the Currency, the Assistant Treasurer of the United States at Washington, the assayer of the Bureau of the Mint, the assayer of the assay office at New York, and such other persons as the President shall from time to time designate, shall meet as Assay Commissioners at the office of the Bureau of the Mint, Treasury Department, Washington, to examine and test, in the presence of the Director of the Mint, the fineness and weight of the coins reserved by the several mints for this purpose, on the second Wednesday in February, annually, and may continue their meetings by adjournment, if necessary. If a majority of the commissioners fail to attend at any time appointed for their meeting, the Director of the Mint shall call a meeting of the commissioners at such other time as he may deem convenient. It shall be the duty of this Commission to count the coin contained in each sealed envelope, and to verify the contents of the same with the accompanying certificate of its contents, and also with the record transmitted from each coinage mint to the Director of the Mint.

Such a number of coins shall be taken from such envelopes as may be determined by the commissioners, for assay, and the remainder returned to the Treasurer of the United States, to whom account shall be rendered by the chairman of the committee on assaying for the number of coins taken for assay, to be returned in bullion at the close of the assay. If, upon counting, any sealed envelope be found to contain less than the number of coins as certified, the case shall be reported to the Director of the Mint, and the superintendent of the mint of coinage held accountable for such discrepancy. During the count and verification of the coins by the Assay Commission the sealed envelopes and their contents shall be considered in the custody of the Treasurer of the United States, to whom shall be given a receipt by the chairman of the Assay Commission for the number of coins taken for assay. It shall also be the duty of this Commission, by such examinations and tests as may be deemed necessary, to ascertain whether these coins do not differ from the standard fineness and weight by a greater quantity than is allowed by law; and if it so appears the trial shall be considered and reported as satisfactory. If, however, any greater deviation from the legal standard or weight appears, this fact shall be certified to the President; and if, on a view of the circumstances of the case, he shall so decide, the officers implicated in the error shall be thenceforward disqualified from holding their respective offices. And for the purpose

of defraying the personal expenses of the members of the Commission, other than those in the employ of Treasury Department of the United States, the same mileage shall be allowed to each member for travel to and from his home as is allowed by the Regulations of the Army of the United States to officers of the Army while traveling on duty to and from their stations, and ten dollars each day while serving upon the Commission in Washington, to be paid out of an appropriation to be estimated for by the Director of the Mint for expenses of the annual Assay Commission.

*Expenses on account of Assay Commission each year from 1874 to 1886, inclusive.*

Year.	Amount.	Year.	Amount.
1874.....	\$1,329 92	1881.....	\$1,005 19
1875.....	1,262 50	1882.....	607 15
1876.....	881 18	1883.....	1,111 01
1877.....	1,356 92	1884.....	1,016 77
1878.....	1,444 82	1885.....	1,070 67
1879.....	1,233 01	1886.....	1,547 89
1880.....	1,464 22		
		Total.....	15,431 25

The estimates for this appropriation, so far as they have been traced at the present writing, have been \$2,000 a year.

The expenditure has varied according to the personal expenditures of the Commission, increasing in the ratio of the distance traveled to and from the homes of the several commissioners.

The expenditure has in certain years, as in 1876 and 1882, been low as compared with the average, owing to the fact that members of the Commission were not selected, as in other years, with the purpose of securing a uniform geographical representation from different parts of the whole country.